

Explanation of significant variances in the accounting statements – AGAR Section 2

Ashington Town Council

Financial Year Ending 31st March 2023

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Clerk/RFO

Date: 13th April 2023

Please explain any variances of more than 15% between the totals for individual boxes in Section 2. Please also explain any variances above £100,000, regardless of the percentage change. We do not require explanations for variances of less than £200.

Please note that there may be 'compensating' variances which leave the overall total for a box relatively unchanged – e.g. where there was a major one-off project in one year (e.g. contribution to village hall extension of £30,000), but a totally different expense of a similar size in the next (e.g. purchase of playground equipment of £28,000). In such cases, it would be helpful to provide an explanation of movements within each box. We also ask you to explain any change where there is a movement to or from zero. Please either use the proforma below, or complete a separate schedule if more space is required.

	2021-22	2022-23	Variance (+/-) %	Variance (+/-) £	
Box 2 PRECEPT	£798,060	£824,900	£26,840	3.36%	
Box 3 OTHER INCOME	£99,588	£121,443	£21,855	21.95%	The Council's large scale capital projects realised greater amounts of funding in 22/23 £101,615, than in 21/22 £74,211. The increase being £27,404 . Funding was achieved for bus shelters, the Jack Charlton and Footballing Heritage Project, defibrillators, and the Play Area. Income from allotments was less in 22/23 £17,672, than in 21/22 £13,668, a decrease of £-4,004 . The remaining variation can be attributed to the Council receiving an insurance pay-out in 21/22 £7,580, but the sale of the deisel van raised £5,000. £-2,580 .
Box 4 STAFF COSTS	£191,598	£215,185	£23,587	12.31%	
Box 5 LOAN/INTEREST	£0	£0	£0		

					<p>Ashington Town Council (ATC) carried out several high value capital projects in 23/23. This included the following: a project in Hirst Park to install a statue of Jack Charlton £79,466, and linked Ashington's Footballing Heritage Storyboards £38,127. Also significant capital works in the town's allotments. New fencing £25,950, and water system £15,635 at North Seaton Colliery, and new regulation standpipes (56) on all allotment sites £32,465. The Council also installed a new play area at Alexandra Park £43,453, and purchased x12 defibrillators and external cabinets Also x7 new bus shelters £46,580. Increased capital spending across the years is £303,981, this is included in the Fixed & L/T Assets movement. In other expenditure we saw a significant increase in spending on the Council's works van as we disposed of our diesel van and entered into a lease agreement for an electric van. The large deposit and repayments increased spending year on year by just over £12,000. In 21/22 as we came out of COVID, there was very little spending on events £1,400, where as we spent £15,643 in 2022/23. This remains below expected, but represents an increase of £14,243. Allotment spending has been significant in 22/23 as the Council tries to catch-up on capital jobs and sees an increase in spending on clearances, repairs and water. Next year the budget for capital and general expenditure has been split to allow instant monitoring, and work is ongoing to reduce the Council's spending commitment. Capital spending on allotments in 22/23 is included above, this was £76,050 compared with £22,806 in 21/22. In general expenditure there has been an increase in the need for clearance and repair work, the costs compare at £50,195 in 22/23 to £37,233 in 21/22. £12,962. The Council improved Christmas Lights displays in 22/23 spending £38,608 compared to £18,691 in 21/22. £19,917. The Council improved the appearance of the town centre and gateways into the town in 2022/23 with newly designed sustainable planting schemes. In terms of environmental enhancements the Council increased spending from £45,244 in 21/22 to £72,506 in 22/23. £27,262. Spending on Climate Change initiatives also increased with several tree planting schemes across the town. This rose from £7,533 in 21/22 to £33,793 in 22/23. £26,260. In 21/22 the Council had no election costs, but we paid costs of £21,585 in 22/23. The Council has invested in more CCTV coverage across the town. In 21/22 spending on CCTV was £5,724, in 22/23 this increased to £18,379. £12,655. The Council has made efficiencies in office and admin costs resulting in approximately £5,000 less spending across these items.</p>
Box 6 OTHER PAYMENTS	£500,380	£928,237	£427,857	85.51%	
Box 7 BALANCES C/F	£692,200	£495,121	£-197,079	-28.47%	
Box 9 FIXED AND L/T ASSETS	£616,633	£920,614	£303,981	49.30%	See attached information for full details of movements.
Box 10 BORROWING	£0	£0	£0		